1 sh. 6 1/32d. per rupee.
1 sh. 5 15/16d. per rupee.

Mr. Paul Mampilli.—May I know the respective dates of these exchanges?

Mr. P. V. Subramania Ayyar.—It is the average rate in the course of the last 3 months.

Mr. Paul Mampilli.—It is not the average figure. It is the maximum and the minimum exchange rates.

Mr. P. V. Subramania Ayyar.—I want notice.

Commission charged on the Government for the purchase of foreign drafts.

227. Mr. P. C. Varkey.—Will the Government be pleased to state whether the Government have been charged any commission on their purchases of sterling and other foreign drafts; and if so, the rate and the total amount of commission paid during the quinquennium?

Mr. P. V. Subramania Ayyar.—No commission is charged by the Government Bankers for issue of sterling and other foreign drafts. No answer is necessary to the last part of the question in view of the above.

Mr. Joseph Pettah.—May I know who these bankers are?

Mr. P. V. Subramania Ayyar.—The National Bank of India.

Mr. Joseph Pettah.—Only one?

Mr. P. V. Subramania Ayyar.—Yes.

Mr. Joseph Pettah.—It is said that they charge no commission. Is it in consideration of any privilege granted to them by the Government that they charge no commission?

Mr. P. V. Subramania Ayyar.—They are the Government bankers under an agreement. From the very beginning they have not been charging any commission. There is no stipulation in the agreement as regards the charging of commission.

Mr. Joseph Pettah.—My question was whether they were charging no commission in consideration of certain privileges given to them by the Government?

Mr. P. V. Subramania Ayyar.—We have not made any mention of privileges there.

Mr. Joseph Pettah.—What I want to know is this: They are giving the Government a concession. They are not charging any commission on these drafts. Is it in consideration of any privileges given by the Government to them such as depositing money at a low rate of interest?

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Mr. P. V. Subramania Ayyar.— From the very beginning they have not been charging any commission and there is no mention about it in the agreement.

Mr. K. G. Nayar.—Are the Government aware that these Government Bankers are taking commission on similar over-drafts from other people?

Mr. P. V. Subramania Ayyar.—I think they are taking.

Mr. K. G. Nayar.—Is there any reason then why no commission is charged by Government Bankers in respect of this over-draft?

Mr. P. V. Subramania Ayyar.— I cannot say exactly whether they take commission from those to whom they are not bankers.

Mr. K. G. Nayar.—Is it then because the Cochin Government have deposited money in this Bank that no commission is charged?

Rama Varmha Tampuran.—There is no question of Government depositing money. There is an agreement between that bank and the Government and under the agreement certain conditions prevail. This is not one of those conditions. We do not know whether the National Bank collects commission from those for whom they are bankers. There may be people for whom the National Bank are bankers and there may be people for whom the National Bank are not bankers. They may be collecting commission from the latter class of people. They may not be collecting commission from the former class of people. There is no question of privilege. It is because there is a commercial agreement between the National Bank and the Government.

Mr. Joseph Pettah.—What are the terms of this agreement?

Rama Varmha Tampuran.—I regret I cannot divulge.

Mr. K. G. Nayar.—Is this the only bank?

Rama Varmha Tampuran.—In a way it is. But there are also other banks.

Mr. Joseph Pettah.—Are there Government moneys deposited with this bank at present?

Rama Varmha Tampuran.—With this as well as with other banks.

Mr. Joseph Pettah.—What is the amount, may I know?

Rama Varmha Tampuran.—Notice.

Mr. Joseph Pettah.—May I know the rate of interest on these deposits?

Rama Varmha Tampuran.—We have published that in the Press Communique. We have been getting interest on fixed deposits between 2—3 per cent.

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Mr. K. G. Nayar.—Have other banks applied to the Government requesting them to deposit moneys with them?

Rama Varmha Tampuran.—There are only a few banks who have applied.

Mr. K. G. Nayar.—Were such applications considered by the Government?

Rama Varmha Tampuran.—These applications cannot be considered except on one single merit. They cannot be considered as other applications are.

Mr. K. G. Nayar.—Will the Government be pleased to consider whether in the case of local banks having foreign dealings, provided their stability is beyond question, they can give encouragement to these banks?

Rama Varmha Tampuran.—We can only say that we will note that suggestion.

Mr. C. A. Ouseph.—Is it one of the terms that no commission will be charged?

Rama Varmha Tampuran.—That point was answered.

Mr. C. A. Ouseph.—May I know whether it is because the Government send a lot of money to the National Bank for safe custody without interest that they extend this concession?

Rama Varmha Tampuran.—No.

Mr. P. Kumaran Ezhuthassan.—Is it a fact that Government send money for safe custody to the National Bank?

Rama Varmha Tampuran.—No.

Mr. Paul Mampilli.—Have the Government compared the rate of exchange in the National Bank with the rate of exchange prevalent in other banks?

Mr. P. V. Subramania Ayyar.—I want notice. I have not compared it.

Mr. Popatlal Goverdhan Lalan.—Is it not for the exchange bankers to charge a commission?

Rama Varmha Tampuran.—We said we do not know the details— for which class of people they charge commission and for which class of people they do not charge commission. We have not enquired further and there has been no necessity.

Mr. Popatlal Goverdhan Lalan.—Have the Government purchased sterling and foreign drafts?

Mr. P. V. Subramania Ayyar.—Perhaps the rates include charges for commission also.

Defalcation of Government money.

228. **Mr. P. Kumaran Ezhuthassan.**—Will the Government be pleased to State:—

(a) the number and extent of defalcation or misappropriation of Government money during 1107, 1108 and 1109;

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